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The Universities:
Present Perplexities
And Future Needs

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During the past fifteen years, the universities of Canada have undergone a remarkable cycle of boom and bust - or, alternatively, of mania and depression. Full-time enrolment has grown more than three-fold from 114,000 to more than 350,000. Annual operating costs have risen more than ten times, from \$183 million to almost \$2 billion. Capital outlays exceeded \$3 $\frac{1}{2}$ billion. Today, enrolments show little change from year to year, but although operating budgets continue to rise - and generally by something more than inflationary rates - the bloom is off the rose. One finds, in the universities today, a state of anxiety bordering on desperation.

Is there really cause for alarm? It may be useful to review briefly the record of recent university expansion and to take stock of the causes of the present discontent and unease.

Universities have been around in the western world for a long time - roughly 800 years. In Canada we have had them for two centuries or more. But never since their first appearance in the twelfth century has there been a period of growth to match that of the 1960's. And nowhere in the world was that growth more explosive than in Canada.

In retrospect, the causes are not hard to identify. First, there was the demographic fact of a rise in the birth rate, starting gradually in the wartime years of the early 1940's and soaring with the post-war baby boom. Second, there was a striking change in the educational expectations of young people

and their parents, inspired by the example of the post-war enrolment of tens of thousands of veterans and given impetus by the sustained and growing affluence of the 1950's and 1960's. Third, there was what has been described as the impact of Sputnik - the fear that the West was in danger of being outstripped technologically. Finally, a new economic thesis appeared and found ready acceptance: that education, and higher education in particular, was a form of social investment with a high economic return. All of these created a public demand that governments found irresistible. And with an expansive economy producing buoyant government revenues, the stage was set in the late 1950's.

For the universities, the resulting influx of students and funds, and the accompanying waves of public good will amounting at times to adulation, were pretty heady stuff. The traditional plain living and high thinking of the scholars gave way to some pretty high living (measured by previous standards) and a kind of thinking that was high only in the new sense that that adjective acquired in the psychedelic era of the sixties. Planners and administrators alike began to run their projections out the window. With 15 per cent of the 18 to 24 age group in university, why not plan for 30 per cent, or 40 per cent or 50 per cent? There would be higher education for everyone who could benefit, and it became the popular view that universities should vary their offerings to meet the needs or even the wants

of the greatest possible number. Budget projections went the same way - and it was only in the late sixties that some provincial treasurers began to notice that projected university expenditures ten years hence were of the same order of magnitude as their projections of their entire provincial budgets.

At this point, a new combination of developments became decisive - as potent in their own way as the earlier blend of forces that had produced the growth. First, there was an awareness that the cost per student was soaring. Over the decade of the sixties, full-time enrolment had increased by 170 per cent, but operating costs had grown by 570 per cent - and in 1970-71 capital outlays reached a peak of almost \$400 million. The federal government, which in 1966 had enthusiastically offered to underwrite 50 per cent of the post-secondary operating costs by fiscal transfer, regretted the open-endedness of its offer and announced that, thereafter, post-secondary fiscal transfers would not be increased by more than 15 per cent in any future year. Provincial governments embarked on studies of ways to get more scholar per dollar.

At the same time, there were second thoughts about the supposed economic returns from higher education. Economists went back over their figures and began to qualify the earlier forecasts of pay-off; some even reversed the previous interpretation of the correlation they had detected between years of schooling and per capita G.N.P. and suggested that, maybe, higher education was a

consumer good rather than an investment.

There were also - both within the universities and outside - second thoughts about the concept of the multiversity, diversifying its offerings to accommodate the widest possible range of student interests and aptitudes. The more traditional scholars had never really liked the idea, but through the sixties their voices had been virutally inaudible. By 1970, they began to find allies outside, largely as a result of the apparent success of new kinds of post-secondary institutions, devoted to programs of job-related training.

Moreover, by the end of the sixties, there were clear signs of a weakening in the job market for the universities' products. Students leaving high school began to turn in increasing numbers to alternative courses. Among those who started at university, dropping-out and stopping-out became common enough to raise serious questions about the quality of what the universities were offering, or alternatively, about the suitability of the students they had been admitting. The rate of increase in enrolments dropped significantly: through most of the sixties it had averaged 12 per cent annually, compounded; in the first half of the seventies it averaged just over 3 per cent.

Finally, there was the impact on public and governmental attitudes of the campus unrest of the late sixties. It may be some years before the effects of that outburst on the universities can be fairly assessed, and opinions today cover a wide spectrum.

But there will, I think, be general agreement that the public reaction ranged from disenchantment to outrage. It was a mood which governments were not slow to adopt as their own.

Today, in the universities, the prevailing mood is one of anxiety. It might be claimed that, in this, they are simply reflecting the temper of their society. But when one examines the specifics of that anxiety - the conditions to which it is directed - some justification can be found.

First and foremost, the universities face real budgetary problems. On a national average, government grants for operations have fallen short of increases in enrolment combined with inflation, and in some provinces have fallen significantly behind. Grants for capital purposes have dwindled to a fraction of earlier levels and in some provinces have all but disappeared, creating a growing problem of accommodation, renovation and equipment replacement. In order to meet personnel and ordinary maintenance costs, controllable items such as library and internal research funding are being squeezed. To aggravate this situation, federal funds for research and equipment have, over the past six years, fallen by more than 30 per cent in constant dollar value. As research funds shrink, technicians must be laid off, equipment ages and becomes outmoded, and there is growing anxiety that one of the major functions of the universities - the advance of knowledge - may be imperilled.

Nor can the universities do much to relieve their budgetary plight. Quite apart from the entrenchment of faculty through tenure practices, and the increasing strength of unions, the continuing rise in enrolment - modest as the rate may be - rules out the possibility of any reduction of staff. And it must be borne in mind that universities are very labour intensive. Personnel costs are further influenced by the fact that, large numbers of young faculty having been recruited in the sixties, there is now little staff turnover, with the result that there is a constant and often justifiable pressure for promotions and for salary progression within academic ranks. In one of the new universities, for example, a survey two years ago revealed that the average age of the faculty increased annually by about .85 of a year. Few newcomers join the faculty; few leave; the professoriat simply gets older and more expensive.

On the revenue side, the universities find themselves equally powerless. Government funding - provincial and federal - accounts for more than 70 per cent of their revenues, compared with 63 per cent fifteen years ago. Student fees have fallen from 17 per cent in 1960-61 to less than 12 per cent today. In relation to operating costs, student fees fifteen years ago, at an average of \$400, met 25 per cent of their costs; today at \$700 per student, they have fallen to only half that proportion. But increases are strenuously resisted not only by students and parents but often by governments as well.

Painful as the budgetary situation undoubtedly is, however, it accounts only partially for the state of anxiety within the universities. Accompanying it is a sense of loss of control - actual or threatened - over matters in which universities have traditionally been their own masters. An elaborate infrastructure has grown up outside the universities to review, assess, coordinate and even direct their activities - and, more particularly, their continuing development. The pattern varies from province to province, but the causes in each case are the same: growing resistance on the part of governments to rising costs, reinforced by the continuing public disenchantment with higher education and skepticism about its supposed benefits. It is not that there has been a radical shift to dependence on public funds. The governmental share of university funding has, after all - as I have indicated - risen over the past fifteen years by less than one-tenth, from 63 per cent to 70 per cent. But the size of the sums involved has given university costs - and the burden to the public purse - a visibility that was lacking before; provincial governments react very differently to an annual bill of \$1½ billion as compared with the 1960-61 bill of \$118 million. And the resulting intensity of governmental interest in university plans and operations threatens, in the eyes of academics, their most cherished notions of the autonomy of the universities as self-governing communities.

Not that the universities are complacent or hostile to

changes. On the contrary, the precipitate growth of the 1960's had produced immense problems of which the universities themselves are more aware than are even their harshest critics. By the early 1970's there were few if any university administrators who did not welcome the prospect of a pause - a chance to consolidate, to restore balance, to assess carefully what had been done and what needed to be done to adjust to the prospective circumstances of the next decade or two. In this situation it was galling to encounter the double bind of, on the one hand, a denial of the modest margin of resources required for the adjustment of their programs and practices, or, on the other, the threatened loss of effective control over their future development.

It may be useful to look briefly at some of the preoccupations of the universities as they assess what they have and what they need for the future - and in which they find themselves too often thwarted by lack of funds and the erosion of control. I shall not try to be exhaustive - nor to order these matters in terms of relative importance - but will mention only four conditions that impress an interested outsider.

First, there is a kind of demographic spectre hanging over the universities: the decline in the birthrate that set in in the late 1950's and shows no sign of reversal. This means that the age group from which the universities have traditionally drawn their students will begin to shrink in four or five years time and will continue to dwindle through much of the 1980's.

This prospect has, of course, been evident for some years and its recognition, in the late 1960's, gave great impetus for some time to the idea that the universities would find a new role, with a new clientele: providing continuing education as a life-long process. There has, in fact, been development along this line, but it is by no means clear yet how it will be merged with the more historic pattern of higher education, or whether it can be done by means of a simple internal reallocation of university resources. Nor is it clear how the budgetary implications will be met - particularly in view of the prevailing pattern of government funding resting heavily on formulae related to full-time enrolment.

Second, the current state of the faculty gives some cause for uneasiness. As I have noted, the heavy recruiting of the 1960's has produced a professoriat which, in these days of little growth, is characterized by a low rate of turnover. It is also unfortunately the fact that, in the pressure to expand in the 1960's, some sacrifice in quality had to be accepted. Canadian graduate schools were incapable of meeting the entire needs, especially in the humanities and social sciences and in such professional faculties as education and business administration, and universities felt compelled to resort heavily in these fields to recruitment abroad, against stiff competition from foreign universities which were also expanding. We did succeed in attracting many first-class scholars and scientists - not to

mention first-class teachers - into our universities; but we had often to settle for something less than excellence, and because of generous tenure policies and aggressive faculty unionism, many universities - and particularly some of the newer ones - face the prospect of a long slow process of attrition to rid themselves of entrenched deadwood. Even for the better members of faculty there is a problem - especially in smaller institutions, of maintaining vitality and currency of knowledge and skills, particularly in respect of research.

A third area of growing concern is the sustaining and strengthening of the universities' role in post-graduate training and research - the generation of new knowledge and the formation of new scholars and scientists. Over recent years a close and fruitful partnership between the universities on the one hand, and the federal granting councils on the other, has established the basis for a strong system of graduate schools and an active and productive record of research. This has been particularly true of the physical and biological sciences, including the health sciences, but over the past decade similar developments have been occurring in the humanities and social sciences. For 1976-77, however, federal appropriations for the support of university research and graduate studies through the granting councils has been frozen at 1975-76 levels - and there is little prospect of any major improvement in the near future. Even over the past five years, the budgets of the granting councils have lagged significantly behind the rate of inflation, with the result that

their programs have had to be truncated and more and more researchers - and graduate students - have been denied support, or have been put on a starvation diet. During the same years, provincial funding has made less and less provision for the needs of research and research training. Scarcely a day passes without fresh evidence that we risk seeing the erosion to a point of no return of strong research teams and graduate programs which required years of sustained support to build.

Finally, budgetary stringency tends to lock the universities into a static pattern of activities, denying them the crucial margin of resources needed to respond to new needs and to exploit new opportunities. And although total enrolments may now be stabilized, there is nothing static about the pattern of student interests and demands, nor even about the expectations of governments and the general public. Moreover, after the hectic growth of the 1960's - and I stress again that it was a development unparalleled in the 800-year history of universities - something more than marking time was needed. That growth had an accidental quality to it, with no evenness of pace or uniformity of quality. In some areas retrenchment was possible - and is taking place. But there is also a pressing need for an extra effort here, a bit of new capital there, to remedy weaknesses and to make centres of real excellence out of centres of near excellence. This may be the greatest single source of the universities' present mood of anxiety: the knowledge that, in

spite of their hasty development, in spite of the mistakes that were undoubtedly made and that may require years to work out of the system, the fact remains that we find ourselves in the mid-1970's with a remarkably strong and competent array of universities in Canada - more uniformly good, I suspect, than those of any other country - and, relatively speaking, so little additional effort is needed to make them really outstanding. To be denied that margin of added resources - to face the prospect of being unable even to sustain the quality that has been achieved - this, I think, must be for the universities the ultimate frustration.

Need I point the moral of this analysis to the Institute of Donations and Public Affairs Research? The opportunities open to private donors should, I think, be clear. I would only suggest that the universities need not only that margin of new resources and the accompanying re-inforcement of autonomy which the support of the private sector can give; they also need that support as a conspicuous vote of public confidence. For anxiety, in the last analysis, is a crisis of morale.

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